



**MEETING MINUTES
BOARD OF DIRECTORS MEETING
THURSDAY, MAY 6, 2021
8:45 A.M.**

******GOVERNOR'S EXECUTIVE ORDER N-25-20******

******GOVERNOR'S EXECUTIVE ORDER N-29-20******

****RE CORONAVIRUS COVID-19****

CONSISTENT WITH THE PROVISIONS OF THE GOVERNOR'S EXECUTIVE ORDERS N-25-20 AND N-29-20 WHICH SUSPEND CERTAIN REQUIREMENTS OF THE BROWN ACT, AND THE ORDER OF THE HEALTH OFFICER OF THE COUNTY OF SONOMA TO SHELTER IN PLACE TO MINIMIZE THE SPREAD OF COVID-19, MEMBERS OF THE BOARD OF DIRECTORS PARTICIPATED IN THE MAY 6, 2021 MEETING BY TELECONFERENCE.

CALL TO ORDER

Vice Chair King called the meeting to order at approximately 8:50 a.m.

Board Members present: Vice Chair King and Directors Elward, Fudge, Landman, Gjerde, Hopkins, Rogers, Slayter, and Harrington.

Staff present: Geof Syphers, Chief Executive Officer; Michael Koszalka, Chief Operating Officer; Stephanie Reynolds, Director of Internal Operations; Neal Reardon, Director of Regulatory Affairs; Rebecca Simonson, Director of Planning & Analytics; Carolyn Glanton, Programs Manager; and Harriet Steiner, Special Counsel.

BOARD OF DIRECTORS CONSENT CALENDAR

1. Approve April 1, 2021 Draft Board of Directors Meeting Minutes
2. Adopt the 2021 EverGreen Local Resource Plan

Public Comment: None

Motion to Approve the May 6, 2021 Board of Directors Consent Calendar by Director Slayter

Second: Director Rogers

Motion passed by roll call vote: 9 - 0 - 0

BOARD OF DIRECTORS REGULAR CALENDAR

3. Receive Internal Operations and Monthly Financial Report and Provide Direction as Appropriate

CEO Syphers began by thanking the City of Petaluma for their recent vote to support all-electric construction and banning the construction of new gas stations.

Stephanie Reynolds, Director of Internal Operations, announced Sonoma Clean Power celebrated its seventh anniversary of service to customers on May 1, 2021. The first meeting of the ad-hoc committee for the CAC recruitment will take place following the May 6th Board meeting. Sonoma Clean Power hosted a fourth drive-up donation food drive at Redwood Empire Food Bank and received a note of gratitude from Lisa Cannon, REFB Director of Development;

Construction at the SCP Headquarters is progressing on pace for a late-summer completion. A soft opening of the Advanced Energy Center is scheduled for June 15th. A true grand opening will be held at a later date.

Neal Reardon, Director of Regulatory Affairs introduced newly hired employee Brian Goldman, Principal Compliance Analyst.

Public Comment: None

4. Receive Legislative and Regulatory Updates and Provide Direction as Appropriate

Director Reardon reported on PCIA updates. A recent workgroup meeting about pre-payment options ended with the CPUC and SCP being very far apart in the deposit required to initiate the process. Next, a proposed decision denying allocations of resources was held.

CEO Syphers commented that PG&E passed the stress test required under the State Fire Insurance Bill passed in 2019 which will allow them to finance \$7.5B of their 2017 wildfire liabilities from recovery bonds. This means that they are allowed to put a fixed charge of \$394M per year on ratepayer bills for the next 30 years.

Director Rogers asked about the next steps for the PCIA pre-payment option. He encouraged staff to notify board members if letters of support would be

helpful to the cause.

Director Slayter asked if the PCIA is unique to California or if other states also have something similar. Director Reardon answered that other states do have exit fees, however California is the only state whose exit fee has no set end date.

Director Hopkins asked about PSPS events possibly being more frequent this and upcoming years. CEO Syphers answered based on PG&E's reported analyses and modeling of past years, it is likely that some parts of SCP's service territory will experience more PSPS outages. Director Reardon added that the CPUC opened an investigation into utilities and their information sharing during PSPS events. A decision on this investigation is expected soon.

CEO Syphers began the legislative report with an update that SB 612, the CalCCA sponsored bill to help address the PCIA, has passed the Policy Committee and is now headed to Appropriations. He requested Board members to have their jurisdictions send in letters of support to help the bill succeed.

SCP is watching bill AB427 and is considering a position of support. The bill pertains to customer-owned batteries providing reliability to the grid when needed. SCP is also watching AB1139 by Lorena Gonzalez, however it was revised recently, and the analysis is now outdated. This bill proposes to create an entirely new solar net metering rate.

Public Comment: None

5. Discuss Draft Equity Framework Workshops, Receive Programs Equity Framework and Provide Direction as Appropriate

Programs Manager, Carolyn Glanton, first gave thanks to former SCP staffer, Nelson Lomeli, who championed the Programs Equity Framework.

Before diving into SCP's public equity workshops and the Programs Equity Framework, she gave background on how other CCA's are approaching equity; as a member of CalCCA, SCP staff regularly participates in environmental justice and equity calls with other CCA's.

She then shared some of the public feedback SCP received during equity workshops held in March 2021 and thanked SCP staff who assisted with the workshops. The staff report identifies the updates that were made to the draft Framework based on suggestions received from the public, Board of Directors, and Community Advisory Committee Members. The Framework will help staff develop new programs, as well as evaluate existing programs.

CEO Syphers added that SCP is trying to achieve something that there are not yet good examples of in the United States; he implored Board members to bring attention to any public agencies or utilities that they feel are doing a good job in this space.

Director Elward shared her excitement that SCP is taking on this charge, and in response to CEO Syphers' comment about having few good examples of this work being done, stated that SCP should be the leader.

Public Comment: None

6. Review and Provide Direction on the Draft Annual Budget for Fiscal Year 2021-2022 and Draft Rates for July 1, 2021

Mike Koszalka, Chief Operating Officer, gave a high-level overview of the draft budget for Fiscal Year 2021-2022. The proposed budget requires no rate changes at the start of the fiscal year on July 1, 2021. However, SCP will subsidize customer rates by using funds from SCP's rate stabilization fund to ensure customer rates are no more than 5% above PG&E's bundled rates. The 5-year forecast utilized the best data available at the time of analysis, however, the PCIA continues to be difficult to forecast.

Director Slayter and Vice Chair King expressed support for the budget.

Director Fudge suggested that CEO Syphers reach out to PG&E's new CEO personally to discuss how PG&E's actions affect SCP's rate-making strategies.

Vice Chair King commended SCP for not carrying debt just seven years after launching.

Public Comment: None

BOARD OF DIRECTORS MEMBER ANNOUNCEMENTS

Director Gjerde stated that the County of Mendocino is exploring several environmental initiatives including a possible upgrade to EverGreen for municipal accounts outside of the City of Ukiah, which is not part of SCP's service territory.

Director Rogers thanked Director Reardon for his presentation at a recent meeting of California League of Cities Environmental Equality Committee.

Vice Chair King commented that City of Petaluma passed an all-electric building code. He also recommended that SCP consider lobbying federal efforts to

further the fuel switching movement away from natural gas.

PUBLIC COMMENT ON MATTERS NOT LISTED ON THE AGENDA

Marcy Snyder, on behalf of Grassroots Institute, asked for SCP to endorse a proposal for County of Mendocino to allocate funds to environmental programs.

CEO Syphers clarified that SCP has a staff policy that SCP does not lobby its members on how they should vote but can serve as a resource to them and can provide helpful data and information.

ADJOURN

Vice Chair King adjourned the meeting at approximately 10:22 a.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Beau Anderson".

Beau Anderson
Clerk of the Board